

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES  
MEDICAL ASSISTANCE ADMINISTRATION  
Olympia, Washington**

**To:** Oxygen Providers  
Inhalation/Respiratory Therapists  
Pharmacists  
Home Health Agencies  
Managed Care Plans

**Memorandum No: 04-74 MAA  
Issued: October 15, 2004**

**For Information Contact:**  
Toll Free: 1-800-562-6188

**From:** Douglas Porter, Assistant Secretary  
Medical Assistance Administration

**Subject: Oxygen and Respiratory Therapy Program: Change in Limitation and  
Purchase Price of CPAP Device**

**Effective for dates of service on and after October 16, 2004**, the Medical Assistance Administration (MAA) has revised the purchase rate and policy related to the Continuous Positive Airway Pressure (CPAP) device (HCPCS code E0601). The changes are outlined in this memorandum.

### **Policy Clarification**

MAA is not making any overall change to the reimbursement rate for the CPAP device. However, MAA is clarifying the mandatory rental-to-purchase policy for the CPAP device. MAA's current Oxygen and Respiratory Therapy Billing Instructions state on page H.1: "In those instances where rental is required prior to purchase, the rental price is applied towards the purchase price." The purchase price on page H.3 of the fee schedule reflects this policy.

## Change in Limitation and Purchase Price of CPAP Device

MAA is adding one policy change for the CPAP device. **Effective for claims with dates of service on and after October 16, 2004**, there is a limit of one CPAP device per client every five years (as noted below).

Description	HCPSC Code	Do Not Bill With	7/1/04 Rental	7/1/04 Purchase
Continuous airway pressure (CPAP) device. <ul style="list-style-type: none"> <li>Requires results of sleep study performed in an MAA-approved sleep center.</li> <li><b>Rental Limit: 1 unit per month, maximum of 2 months rental.</b></li> <li>Purchase required after 2 months <b>mandatory</b> rental. Client compliance and effectiveness must be documented prior to purchase.</li> <li><b>Purchase limit: 1 unit per client, every 5 years. Purchase price is amount allowed after 2 months rental.</b></li> <li>Modifier RR or NU required.</li> </ul>	E0601	E0470 E0471 E0472	\$111.71	<b>\$893.68</b> <b>Eff.</b> <b>10/16/04</b>

Continue to bill MAA your usual and customary charges. MAA has revised the fee schedule in MAA's current Oxygen and Respiratory Therapy Billing Instructions. You may view or download the revised fee schedule by going to MAA's website at <http://maa.dshs.wa.gov> (click on the Professional Reimbursement link).

## Billing Instructions Replacement Pages

Attached are replacement pages H.3-H.4 for MAA's current Oxygen and Respiratory Therapy Program Billing Instructions. To obtain MAA's provider numbered memoranda and billing instructions, go to MAA's website at <http://maa.dshs.wa.gov> (click on the Billing Instructions/Numbered Memoranda or Provider Publications/Fee Schedules link).

**Send reimbursement issues, questions, or comments to:**

DME Rate Manager  
Office of Professional Rates  
Division of Business and Finance  
PO Box 45510  
Olympia, Washington 98504-5510  
(360) 725-1845  
Fax # (360) 753-9152

**Send authorization issues, questions, or comments to:**

Oxygen and Respiratory Program Manager  
Medical Assistance Administration  
Division of Medical Management  
PO Box 45506  
Olympia Washington 98504-5506  
(360) 725-1577  
Fax # (360) 586-1471

## Oxygen and Respiratory Therapy Program

Description	HCPCS Code	Do Not Bill With	7/1/04 Rental	7/1/04 Purchase
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\*\*HCPCS codes with a "#" symbol in the Rental or Purchase columns are not covered by MAA.

### Continuous Positive Airway Pressure System (CPAP)

Continuous airway pressure (CPAP) device.* <ul style="list-style-type: none"> <li>Requires results of sleep study performed in an MAA-approved sleep center.</li> <li>Rental Limit: 1 unit per month, maximum of 2 months rental.</li> <li>Purchase required after 2 months mandatory rental. Client compliance and effectiveness must be documented prior to purchase.</li> <li>Purchase limit: 1 unit per client, every 5 years. Purchase price is amount allowed after 2 months rental.</li> <li>Modifier RR or NU required.</li> </ul>	E0601	E0470 E0471 E0472	\$111.71	\$893.68 Eff. 10/16/04
Full face mask, used with positive airway pressure device, each.	A7030		#	#
Face mask interface, replacement for full face mask, each.	A7031		#	#
Replacement cushion for nasal application device, each. <b>Limit: 2 per year.</b>	A7032	A7034		40.53
Replacement pillows for nasal application device, pair. <b>Limit: 2 per year.</b>	A7033	A7034		28.41
Nasal interface (mask or cannula type) used with positive airway pressure device, with or without head strap. <b>Limit: 2 per year.</b>	A7034	A7032 A7033		117.64
Headgear used with positive airway pressure device. <b>Limit: 2 per year.</b>	A7035			39.75
Chinstrap used with positive airway pressure device. <b>Limit: 2 per year</b>	A7036			18.20
Tubing used with positive airway pressure device. <b>Limit: 2 per year</b>	A7037	A7010		41.02
Filter, disposable, used with positive airway pressure device. <b>Limit: 2 per month</b>	A7038			5.39

**Some policies are noted in this fee schedule for your convenience. Please refer to the narrative sections in the billing instructions for complete policy details.**

## Oxygen and Respiratory Therapy Program

Description	HCPCS Code	Do Not Bill With	7/1/04 Rental	7/1/04 Purchase
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\*\*HCPCS codes with a "#" symbol in the Rental or Purchase columns are not covered by MAA.

### Continuous Positive Airway Pressure System (CPAP) (cont.)

Filter, nondisposable, used with positive airway pressure device. <b>Limit: 2 per year.</b>	<b>A7039</b>			<b>\$15.33</b>
Oral interface, used with positive airway pressure device, each.	<b>A7044</b>		#	#
Water chamber for humidifier, used with positive airway pressure device, replacement, each. <b>Limited to 2 per year.</b>	<b>A7046</b>			<b>19.51</b>
Humidifier, nonheated, used with positive airway pressure device.* (Must be adaptable to heated system e.g., cold starter kit. Must have trial of non-heated if pressure (cwp) is less than 12.) <b>Purchase only.</b> <b>Limit: 1 per year.</b> <b>Modifier NU required.</b>	<b>E0561</b>	<b>E0562</b>		<b>107.00</b>
Humidifier, heated, used with positive airway pressure device. (Allowed when a pressure (cwp) of greater than or equal to 12 is medically necessary. Prior authorization is required when the cwp is less than 12.) <b>Purchase only.</b> <b>Limit: 1 per 3 years.</b> <b>Modifier NU required</b>	<b>E0562</b>	<b>E0561</b>		<b>301.22</b>
Respiratory assist device, bi-level pressure capability, without backup rate feature, used with noninvasive interface, e.g., nasal or facial mask (intermittent assist device with continuous positive airway pressure device) (ie:BiPAP S).* <ul style="list-style-type: none"> <li>• <b>Requires results of sleep study performed in an MAA-approved sleep center when prescribed for sleep apnea.</b></li> <li>• <b>Purchase required after maximum of 2 months rental. Client compliance and effectiveness must be documented prior to purchase.</b></li> <li>• <b>Limit: 1 purchase per lifetime</b></li> <li>• <b>Modifier RR or NU required.</b></li> </ul>	<b>E0470</b>	<b>E0601</b>	<b>\$256.60</b>	<b>2,566.00</b>

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